

ASSEMBLY BILL

No. 363

Introduced by Assembly Member Garcia

February 14, 2003

An act to amend Section 1366.1 of the Health and Safety Code, relating to health care service plans.

LEGISLATIVE COUNSEL'S DIGEST

AB 363, as introduced, Garcia. Health care service plans: geographic accessibility standard.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Under the act, the department is required to adopt regulations establishing an extended geographic accessibility standard for accessing health care providers served by a health care service plan in counties with a population of 500,000 or less.

This bill would require the department to revise that standard if it fails to provide access for a significant number of residents in counties with a population of 500,000 or less.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1366.1 of the Health and Safety Code,
2 as added by Chapter 928 of the Statutes of 2002, is amended to
3 read:
4 1366.1. (a) (1) The department shall adopt regulations on or
5 before July 1, 2003, that establish an extended geographic

1 accessibility standard for access to health care providers served by
2 a health care service plan in counties with a population of 500,000
3 or less, and that, as of January 1, 2002, have two or fewer health
4 care service plans providing coverage to the entire county in the
5 commercial market.

6 (2) *If the extended geographic accessibility standard fails to*
7 *provide access for a significant number of residents in counties*
8 *with a population of 500,000 or less, the department shall revise*
9 *the standard.*

10 (b) This section shall not apply to specialized health care
11 service plans or health care service plan contracts that provide
12 benefits to enrollees through any of the following:

13 (1) Preferred provider contracting arrangements.

14 (2) The Medi-Cal program.

15 (3) The Healthy Families Program.

16 (4) The federal Medicare program.

17 (c) At least 30 days before a health care service plan files a
18 notice of material modification of its license with the department
19 to withdraw from a county with a population of 500,000 or less,
20 the health care service plan shall hold a public meeting in the
21 county from which it is intending to withdraw, and shall do all of
22 the following:

23 (1) Provide notice announcing the public meeting at least 30
24 days prior to the public meeting to all affected enrollees, health
25 care providers with which it contracts, the members of the board
26 of supervisors of the affected county, the members of the city
27 councils of cities in the affected county, and members of the
28 Legislature who represent the affected county.

29 (2) Provide notice announcing the public meeting at least 15
30 days prior to the public meeting in a newspaper of general
31 circulation within the affected county.

32 (3) At the public meeting, allow testimony, which may be
33 limited to a certain length of time by the health care service plan,
34 of all interested parties.

35 (4) File with the department for review, no less than 30 days
36 prior to the date of mailing or publication, the notices required
37 under paragraphs (1) and (2).

38 (d) The department may require a health care service plan that
39 has filed to withdraw from a portion of a county with a population
40 of less than 500,000, to hold a hearing for affected enrollees.

(e) A representative of the department shall attend the public meeting described in this section.

SEC. 2. Section 1366.1 of the Health and Safety Code, as added by Chapter 549 of the Statutes of 2002, is amended to read:

1366.1. (a) (1) The department shall adopt regulations on or before July 1, 2003, that establish an extended geographic accessibility standard for access to health care providers served by a health care service plan in counties with a population of 500,000 or less, and that, as of January 1, 2002, have two or fewer health care service plans providing coverage to the entire county in the commercial market.

(2) *If the extended geographic accessibility standard fails to provide access for a significant number of residents in counties with a population of 500,000 or less, the department shall revise the standard.*

(b) This section shall not apply to specialized health care service plans or health care service plan contracts that provide benefits to enrollees through any of the following:

(1) Preferred provider contracting arrangements.

(2) The Medi-Cal program.

(3) The Healthy Families program.

(c) (1) At least 30 days before a health care service plan files for modification of its license with the department in order to withdraw from a county with a population of 500,000 or less, or a portion of that county, the health care service plan shall hold a public meeting in the county or portion of the county from which it intends to withdraw, and shall do all of the following:

(A) Provide notice announcing the public meeting at least 30 days prior to the public meeting to all affected enrollees, health care providers, advocates, public officials, and other interested parties.

(B) Provide notice announcing the public meeting at least 30 days prior to the public meeting in a newspaper of general circulation within the affected county or portion of the affected county.

(C) At the public meeting, allow testimony, which may be limited to a certain length of time by the health care service plan, of all interested parties.

(D) Send a summary of the comments received at the public meeting to the department.

1 (E) Send a summary of the comments received at the public
2 meeting to the Centers for Medicare and Medicaid Services if the
3 modification would affect Medicare beneficiaries.

4 (F) File with the department for review, no less than 30 days
5 prior to the date of mailing or publication, the notices required
6 under subparagraphs (A) and (B).

7 (2) A representative of the department shall attend the public
8 meeting.

